



**CITY OF DETROIT
FINANCE DEPARTMENT – PURCHASING DIVISION**

REQUEST FOR QUALIFICATIONS

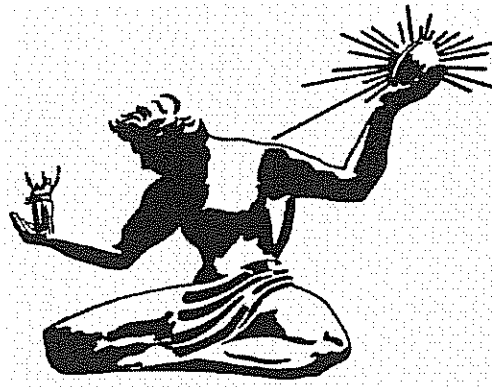
BOARD UP SERVICES FOR RESIDENTIAL AND COMMERCIAL PROPERTIES

RFQQ # 46778

ISSUING DEPARTMENT	FINANCE DEPARTMENT – PURCHASING DIVISION
QUALIFICATION DUE DATE	OPEN AND ONGOING QUALIFICATIONS ACCEPTED DURING LOBBY HOURS*
QUESTIONS	Interested parties may submit questions via email. Responses will be provided via email to the suppliers making inquiry and a summary of questions and answers posted weekly, if any, to the Purchasing website.
OTHER INFO	Firms deemed to be qualified will be placed on the City of Detroit Pre-Qualified Board Up Services Supplier List for a period of two years and will have the opportunity to bid on City of Detroit Board up services.
PUBLIC RECORDING	NONE
EVALUATION FREQUENCY	Firms will be notified in writing within 10 business days of submission of the City's Decision.

Qualifications received become the property of the City of Detroit. Qualifications received will be subjected to disclosure under applicable Freedom of Information Act. The City is not responsible for any costs associated with the preparation or submission of Qualification.

Request for Qualifications No. 46778



BOARD UP OF RESIDENTIAL AND COMMERCIAL PROPERTIES FOR THE CITY OF DETROIT

***Issued by the Finance Department
Purchasing Division***

**City of Detroit
Board Up of Residential and Commercial Buildings**

The City of Detroit Buildings and Safety Engineering and Environmental Demolition Department through the Finance Department Purchasing Division requests open and ongoing qualifications from qualified firms for Board Up Services. Board Up activities will include residential and commercial buildings. Bidders are invited to review this solicitation and, if interested, complete and return their qualifications documents for review by the City of Detroit.

Qualifications received by Monday of each week will be evaluated and a determination made within seven (7) business days. Suppliers whose qualifications meet the minimum requirements set forth will be added to the City's Qualified Supplier list for Board up Services and be given the opportunity to provide the services requested in the Request for Qualifications. Qualifications should be submitted via email to purchasing@detroitmi.gov or by mail to:

Finance Department – Purchasing Division
Two Woodward Avenue - Suite 1008
Detroit, MI 48226
Attention: Ms. Iva Patterson

Firms deemed to be qualified to provide the services specified in this Request for Qualifications will be placed on a list of qualified firms. From the list of qualified firms the City shall solicit proposals to perform Board up Services on groups of properties to be boarded up. Firms will bid on the jobs as issued by the City and will be awarded specific Board up Services based upon cost proposal and bonding capacity. Performance on projects assigned once awarded may affect the ability to be awarded future board up work if the work performed is not satisfactorily performed. **There is no guarantee of work as a result of being placed on a list of qualified vendors.**

If a contract is awarded as a result of this Request for Qualifications, it will be a contract which is negotiated with the awardees based on the City's Model Services Contract.

Interested parties are encouraged to submit questions regarding the Request for Qualifications via email to: purchasing@detroitmi.gov. The subject line of your email should make reference to "File No. 46778 – Board Up Services" Responses to questions will be provided in writing for all inquiries.

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SECTION 1

PROGRAM GOALS AND OBJECTIVES

Board up of residential and commercial properties is being undertaken as an activity under the City of Detroit's Building, Safety & Engineering & Environmental Demolition Department. Therefore, the purpose of this Request for Qualifications is to secure the services of contractors that can carry out board up activities as identified within this solicitation. All Board Up Services and clearance activities will be carried out within the City of Detroit. Funding sources for services may be, but not limited to:

- NSP
- CDBG
- General Fund / FIE

SECTION 2

MINIMUM QUALIFICATIONS

Qualifications will only be accepted from those firms demonstrating a minimum of two (2) years of relevant experience and sufficient capitalization to provide the services sought in the Request for Qualifications for projects of similar scope and size.

Vendors responding to this Request for Qualifications must submit intent to comply with all HUD Section 3 requirements and the HUD Section 3 Compliance Plan should they be awarded a contract to provide the services specified in the Request for Qualifications..

SECTION 3

SCOPE OF SERVICES – RESIDENTIAL AND COMMERCIAL BUILDINGS

Description: The contractor will be responsible for securing all windows and door openings, whether secure or unsecure, regardless of size to / and including first floor and basement level openings of vacant residential and commercial structures with sheathing materials and mechanical fasteners. Barricades for vacant buildings will require painting with a flat gray color and shall be made of minimum 1/2" Plywood or 7/16" OSB. Sheathing is to be cut to the specific dimensions of the rough opening and fastened minimum 8" on center (oc) directly to the existing sash/frame and within the rough opening so as not to accommodate removal by hand or pry bar. Unless otherwise specified, requests for board-ups require the contractor to secure all first floor/lower level openings including windows, doors and basement windows.

Definitions:

Emergency Board-ups = Occasional work which must be completed the within eight (8) hours of request.

Unit = 4' x 8' or 32 Sq Ft

½ Unit = 4' x 4' or 16 Sq Ft

Rough Opening (RO) = The framed opening of an exterior wall which may include the area sub divided by window sashes and mullions.

Window = The rough opening which contains the operating glass unit(s) or fixed window unit(s). "Window" is **not to be billed per sash, double-hung unit, operating unit or per pane of glass.**

Framing = To secure oversize openings for OSB or Plywood support using unit calculations.

Plywood = A wood structural panel comprised of piles of wood veneer arranged in cross-aligned layers. The plies are bonded with an adhesive that cures on application of heat and pressure.

OSB (Oriented Strand Board) = A mat-formed wood structural panel product composed of thin rectangular wood strands or wafers arranged in oriented layers and bonded with water proof adhesive.

Fasteners = The mechanical devices used to fasten the materials used for barricade to the opening being barricaded (nails, screws, or powder actuated fasteners). Finishing nails or any fastener with a small head or any fastener designed for finished carpentry are unacceptable for these applications.

Basement = That portion of a building that is partly or completely below grade is considered ½ Unit.

First Floor = That floor directly above the basement or above the finished grade.

Site = All of the buildings at one address located on one parcel of land.

Barricaded/Secured Against Trespass = Shall be defined as all opening at the first floor and basement levels

Barricaded/Secured Against Trespass and The Elements = Shall be defined as all opening of the entire building.

Job Specifications

All required barricades shall be compliance with the Detroit City Code, Ordinance 593 H, Article XV, Sec.9-15-1./4. **BARRICADES FOR BUILDINGS**

Non Emergency = Require an Average of 10 structures per day

Emergency Board-ups = Occasional work which must be completed the within eight (8) hours of request.

General Requirements

The contractor will be responsible for securing all window and door openings, whether secure or unsecure, regardless of size to / and including first floor and basement level openings of vacant residential and commercial structures with sheathing materials and mechanical fasteners. Barricades for vacant buildings will require painting with a flat gray color and shall be made of minimum 1/2" Plywood or 7/16" OSB. Sheathing is to be cut to the specific dimensions of the rough opening and fastened minimum 8" on center (oc) directly to the existing sash/frame and within the rough opening so as not to accommodate removal by hand or pry bar. Unless otherwise specified, requests for board-ups require the contractor to secure all first floor/lower level openings including windows, doors and basement windows.

The Contractor will be notified of a Notice to Proceed with receipt confirmation if request is E-mailed. The notice must be picked up no later than the next scheduled work day if retrieving the notice from the Demolition office. Contractors are expected to commence work within 48 hours of receipt of notice (Exception: Emergency Board-up). All jobs are expected to be performed professionally and be visually neat in appearance. At a minimum, an average of 10 structures per day is required for board ups.

The Contractor must have the capability to respond to emergencies after working hours.

The Contractor must call immediately the Buildings and Safety Engineering and Environmental Department Demolition Division at (313) 224-3215 after a board up is completed for inspection. If work is completed after hours, pictures will be required of the area secured and the address of the location must be visible. If the Department is unable to verify the work was completed, payment will be denied.

Unconventional Situations

Openings larger than a unit measurement will be rounded up to the next full unit.

Missing door or window framing:

Masonry structures and structures which are severely vandalized may have had the wooden frames of the doors and windows damaged, removed or rotten. Openings with no available surface for which to fasten barricades shall be provided with enough framing (2 x 4s or 2 x 6s)

to substantially secure any required barricades. Where required, barricade framing shall be computed and expressed as a function of the basic Unit. Framing should be recessed as to ultimately allow sheathing to be recessed inside the opening. Framing should follow conventional industry standards for spacing, etc. and should be such as to make the window or door secure and resistant to trespass.

Oversized openings:

Residential and commercial windows, which are oversized and provide no framing to support sheathing at all ends, must be framed with (2" x 4") to provide support for the sheathing. As stated earlier, framing must adhere to conventional industry standards.

Job Site Conditions:

Waste materials generated during the process of boarding and securing must be properly disposed of in every situation.

Contractor will be expected to meet B&SED Inspector "on site" at a predetermined location as long as the meeting is prearranged.

Billing:

For billing purposes, the contractor will indicate on their invoice: the address of the property, the number of units boarded, reframing measurements, and total charge (based on their bid).

<p style="text-align: center;">SECTION 4 PERFORMANCE REQUIREMENTS</p>

It is expected that at least 25-50 structures for Board Up Services will be awarded per contract. The City will identify structures for board up and work will be provided to Contractors on a routing basis normally in groups of ten. Emergency board ups will be assigned on an individual basis.

<p style="text-align: center;">SECTION 5 OTHER TERMS AND CONDITIONS</p>

In addition, to the scope of services identified in Section 3 of the Request for Qualifications, contractors must comply with other federal and administrative requirements which will ensure that all work is performed and carried out to ensure timely and effective performance. Contract terms will be further detailed in the final contract executed between the City and the contractor. Contractual requirements include;

1. Project Oversight - The contractor is be responsible for:
 - a.) Providing and maintaining all qualified personnel, equipment, materials and other resources necessary to perform activities identified in Section 3, Scope of Services in a timely manner.

- b.) Ensuring all appropriate operational control of board up activities assigned, initiating all necessary measures to ensure adequate quality control, which includes but not limited to: completion of all documentation, maintaining document controls and records related to activities carried out.
- c.) Identifying a Project Manager or designated representative who will serve as the Contractor's contact person and has final authority for the Contractor on all matters relating to the contract.
- d.) Coordinating with the City of Detroit, Demolition Division on matters relating to project requirements, completion and actions that require immediate attention or that impact on the results or quality of the work to be performed
 - 1. Records and Documentation - The contractor will maintain current, accurate and complete records according to the City of Detroit's board up standards and in compliance with all applicable federal, state and local requirements. All files must be available for immediate review and inspection by the authorized representative of the City of Detroit or its funders. All records under this contract will become the property of the City. Records must be maintained for a period of four years from the date of last payment under the contract.
 - 2. Compensation is based on the approved schedule of fees, satisfactory completion of work and the submission of a properly executed and completed request for payment form..
 - 3. Rescheduling, postponement and Termination- the City reserves the right, in part or in whole, to reschedule, indefinitely postpone work, or terminate the services of any contract that is entered into between the Contractor and the City. Contracts may be terminated for any of the following circumstances; failure of the Contractor to perform the services detailed in the executed contract, including any modifications, failure of the Contractor to meet performance requirements or any other terms or conditions of the contract. The City has the right to terminate a contract at any time at its convenience by giving the Contractor ten (10) business days written notice of termination for convenience
 - 4. Except as provided in the contractor's proposal and approved by the City, the Contractor cannot reassign or transfer work to subcontractors without authorization from the City.
 - 5. The Contractor is responsible for the accuracy of the work performed and is required to make all necessary revisions or corrections resulting from errors and omissions on the part of the Contractor without additional compensation. Acceptance of the work by the City will not relieve the Contractor of the responsibility for subsequent correction of any such errors and omissions and the clarification of ambiguities.
 - 6. Contractor is required to maintain insurance during the term of the contract award, at its expense; a.) Worker's Compensation insurance with Michigan statutory limits and Employer's Liability insurance with minimum limits of \$500,000.00 each accident, \$500,000.00 each disease, \$500,000.00 each disease/each employee, b.) Commercial General Liability insurance with combined single limits of \$1,000,000 per occurrence subject to a minimum aggregate limit of \$2,000,000, c.) Automobile Liability insurance covering all owned, hired and non-owned vehicles with personal protection insurance and property protection insurance to comply with the provisions of the Michigan No-Fault Insurance Act, including residual liability insurance with a minimum combined single limit of \$1,000,000.00. Performance and/or Payment Bond -

The Contractor shall secure Surety Bonds in the form of: a Performance Bond for One Hundred percent (100%) of the Contract price and Payment Bond for One Hundred percent (100%) of the Contract price in the event of using a sub-contractor. Bonds requirements shall increase consistent with any Contract price increases.

7. Conflict of Interest – The contractor agrees to comply with applicable conflict of interest provisions outlined in 24 CFR Part 85 and 24 CFR 570.
8. Permits - It is the vendor's responsibility to obtain all permits necessary to perform the work specified in the Request for Bid and assume any fees associated with doing so.
9. As required, the contractor must comply with HUD Section 3 requirements, as described in Appendix D
10. No reimbursement is contemplated to be paid for travel under contracts awarded.
11. Term of Agreement - Per Bid.
12. Contracts will become effective on the City's notice to proceed date following the City's approving body.
13. Contractors awarded will be required to obtain approved clearances from the Income Tax Division, Revenue Collections Division, Covenant of Equal Opportunity, Hiring Compliance Affidavit & Employment Application and Slavery Affidavit. .
14. Governing Laws and Regulations - The Contractor will be required to comply with all applicable Federal, State and local requirements identified in the executed contract.

<p style="text-align: center;">SECTION 6 SELECTION CRITERIA</p>

Following receipt of the vendor's qualifications, a City designated evaluation committee will evaluate each response. All qualifications that meet the minimum requirements of the Request for Qualifications will be evaluated. Any qualifications determined to be non-responsive to the specifications or other requirements, including instructions governing submission and format, will be disqualified unless the City determines, in its sole discretion, that non-compliance is not substantial or that an alternative proposed by the vendor is acceptable. The City reserves the right to request clarification of qualifications submitted. If this is necessary it will be done in writing with request for a written response by the vendor within a specified period of time. The City will only review qualifications which are complete and include all required documentation. Qualifications which do not include all required documentation will be rejected. Should a firm's qualifications be rejected they will be notified as to the reason for rejection.

The contractor shall be deemed authorized to begin work upon written receipt of a written Notice to Proceed for each board up contract awarded.

Bids received will be evaluated based upon the vendor's ability to:

- Meet the minimum qualifications specified in the bid documents
- Bonding capability
- Vendor capacity

- The bidders demonstration of its organizations capacity, including financial and staff resources to provide the requested services as evidenced by the submission of a statement of qualifications to be included with the sealed bid submitted.
- Past performance of the contractor including but not limited to quality of control that is proposed by the bidder in addressing the scope of work and requirements. The bidder's demonstration of relevant experience in performing and successfully completing board ups and clearance projects including work previously performed for the City of Detroit
- Ability to meet production goals and timelines and availability to complete work in the assigned timeframes
- Evidence of intent to comply with all HUD Section 3 requirements.
- Completion of HUD Section 3 Compliance Plan for Board up Services

SECTION 7 SUBMISSION REQUIREMENTS AND INSTRUCTIONS

Bidders responding to this Request for Qualifications must complete and submit all required forms, documents or additional information requested. Bidders should submit their Qualifications via email to purchasing@detroitmi.gov. Qualifications received will be acknowledged and written notice of the City's decision will be provided. The subject line of your email should read:

- Request for Qualifications # 46778
- Board Up of Residential and Commercial Buildings

The body of your email should read:

- Company's Name and Address
- Company Contact Person and Phone Number
- Please direct this email to the attention of : Iva Patterson

Qualifications received by Monday of each week will be evaluated and a determination made within seven (7) business days. Suppliers whose qualifications meet the minimum requirements set for will be added to the City's Qualified Supplier list for Board up Services and be given the opportunity to provide the services requested in the Request for Qualifications.

Email is the preferred method of receiving qualifications by the Purchasing Division. However, the City will accept qualifications mailed/delivered to:

City of Detroit – Finance Department – Purchasing Division
Two Woodward Avenue Suite 1008
Detroit, MI 48226
Attention: Iva Patterson

The outside of your sealed qualifications should be provided the following information:

Company Name
Request for Qualifications # 46778
Board Up Services
Attention: Iva Patterson

If submitting qualifications by mail/delivered the supplier shall submit one original and two (2) copies plus one on a flash drive (PDF format) of their Request for Qualifications response.

Faxed qualifications will not be accepted. The City is not responsible for any unmarked qualifications or undelivered qualifications regardless of the circumstances. Please make note of the days and times the Purchasing Division lobby is open to receive qualifications:

Monday – Friday 8:00 A.M – 4:00 P.M EST.

Bids must be signed by an officer or representative of the company who is authorized to bind the company to an agreement obligation with the City. Qualifications submitted by partnership or joint venture must list the full names and addresses of all parties.

Bids received become the property of the City. The City is not responsible for any costs associated with the preparation or submission of Qualifications. Responses received will not be available for review. However, once qualifications have been opened and publicly recorded they are subject to disclosure as per the requirements of the Michigan Freedom Information Act and other applicable laws and regulations. Qualifications received will be subject to disclosure under applicable Freedom of Information Act. News releases regarding the selections and any issues related to this Request for Qualifications are made only with the prior approval of the City. All firms submitting qualifications will be notified of the City's recommendation. Failure to submit a complete application may result in the disqualification of the bidder's submission.

The City may make changes to the requirements of this RFQQ as deemed necessary. Such changes, if made will be in writing, issued through the Finance Department Purchasing Division and will be sent to each Bidder Respondent who is on record as having requested a copy of the RFQQ from the Finance Department Purchasing Division. If changes are made, the City may, at its discretion, extend the time allowed for submission of proposals. Bidders are required to advise the City of any changes in the principal officers, organization, financial ability of, or any other facts presented in the proposal with respect to the Bidder or the proposal immediately upon occurrence.

PART 1
Organizational Information

Bidder's Exact Legal Name: _____
(Must be Bidder's name as reflected on its organizational documents, i.e. not a DBA)

List the U.S. State in which Bidder's Legal Entity is organized: _____

Bidder's Type of Legal Entity (check one)

- | | |
|--|--|
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Limited Liability Corporation |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Limited Liability Partnership |
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Other: _____ |

Certificate of Good Standing
Bidder's Taxpayer ID No.

Bidder's Address:

Street	City	State	Zip Code
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Bidder's Website Address: _____
Email Address: _____

Phone Number: () _____

Contact Information:

Name: _____

Phone Number: _____
Email address: _____

Address if different from above:

If this is a joint application, include an additional sheet providing all information above.

PART 2
Documents Required for Submission

Bidder's Name: _____

These documents must be submitted and found acceptable. Failure to submit, incomplete information or documents found to be unacceptable will result in disqualifying the bidder's qualifications. No additional review for experience or other factors will be considered.

1. Certificate of Good Standing (Corporation) or Certificate of Existence (Limited Liability Company) issued by the Michigan Secretary of State (If Respondent is a joint venture, a Certificate of Good Standing or Certificate of Existence, as applicable, must be submitted for each entity comprising the joint venture.)
2. Evidence of Insurance: Commercial General Liability with limits not less than \$2,000,000; Workers Compensation and Employers Liability with limits not less than \$500,000; and, Automobile Liability with limits not less than \$1,000,000 per occurrence.
3. Proposer's have the financial stability and wherewithal to assure good faith performance.
4. Three (3) references of related projects of similar scope and size, including date of project, contact person and phone number, and a brief description of the project.
5. Conflict of Interest Statement & Supporting Documentation: Respondent shall disclose any professional or personal financial interests that may be a conflict of interest in representing the City. In addition, all Respondents shall further disclose arrangement to derive additional compensation from various investment and reinvestment products, including financial contracts.
6. Evidence of intent to comply with HUD Section 3 requirements
7. Bidders Qualification and Documentation Information
8. Identify types and sources of equipment applicable to perform board up activities identified under scope of work.
9. Non-Collusion Affidavit
10. Slavery Affidavit
11. Hiring Compliance Affidavit
12. Human Rights Affidavit
13. Income Tax Clearance
14. Vendor Clearance Request
15. Completeness Checklist

FAILURE TO SUBMIT REQUIRED DOCUMENTS WILL RESULT IN REJECTION

When responding to this Request for Qualifications, it is not necessary to include a copy of this solicitation. Please return only the documents required for submission.

**PART 3
Affidavit**

**BOARD UP OF RESIDENTIAL AND COMMERCIAL BUILDINGS
REQUEST FOR QUALIFICATIONS**

Contractor Name

State of Michigan)
County of)

_____being duly sworn,

deposes and says that he/she

() Is the above named Contractor

() Is the authorized representative of the above named Contractor

The Contractor further states that before submitting his/her proposal for the Work, he/she reviewed the Standard Specifications for the Board up of Buildings, prepared by the City of Detroit Building and Safety Engineering Department, dated _____ and all bulletins issued thereto as stated in the Proposal Form.

Further, the Contractor certifies that he/she

- fully understood all provisions stated in those Specifications
- has had prior experience in the type of Work required by the Contract Documents and that he has the necessary finances, personnel and working organization and equipment available to execute the proposed Work in accordance with the requirements of the Contract Documents.
- has not been suspended, debarred, voluntarily excluded or determined ineligible by any state or federal agency within the past three (3) years

Signed _____

Subscribed and sworn to before me this _____ day of 2013

_____my commission expires,

Notary Public _____ County, Michigan.

NOTARY SEAL:

PART 4
Completeness Checklist

Use this form to check to ensure that all documents are included with your submission

_____ Part 1 – Organizational Information

_____ Part 2 – Required Documents for Submission

_____ Part 3 – Affidavit

_____ Part 5 - Non-Collusion Affidavit

_____ Appendix C HUD Section 3 Intent to Comply Affidavit

_____ HUD Section 3 Compliance Plan

_____ All Clearance Forms & Affidavits

PART 5 - NON-COLLUSION AFFIDAVIT OF PRIME PROPOSER

State of Michigan)

County Wayne)

_____ being first duly sworn, deposes and says that:

He / She is, _____, of
(Owner, Partner, Officer, Representative, Agent)

(Contractor that has submitted the attached Proposal)

He / She is fully informed respecting the preparation and contents of the attached, Proposal and of all pertinent circumstances respecting such Proposal.

Such Proposal is genuine and is not a collusive or sham proposal.

Neither the said Proposer nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including the person making this statement, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Proposer, Firm or person to submit a collusive or sham Proposal in connection with the Contract for which the attached Proposal has been submitted or to refrain from proposing in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Proposer, Firm or person to fix the price or prices in the attached Proposal or the Proposal of any other Proposer, or to fix any overhead, profit or cost element of the bid price or the bid price of any other Proposer, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Detroit or any person interested in the proposed Contractor; and

The price or prices quoted in the attached Proposal are fair and proper and are not tainted by a collusion, conspiracy, connivance or unlawful agreement on the part of the Proposer or any of its agents, representatives, owners, partners, employees, or parties in interest, including the person making this statement.

(Signature)

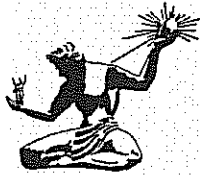
(Title)

Subscribed and sworn to before me this _____ day of, 2013

_____ my commission expires,

Notary Public _____ County, Michigan.

NOTARY SEAL:



CITY OF DETROIT FINANCE-PURCHASING DIVISION

BOARD UP PROGRAM

HUD SECTION 3 COMPLIANCE ACKNOWLEDGMENT AND

INTENT TO COMPLY

Submitted by:

Name of Owner/Developer: _____

Address: _____

E-mail: _____ **Telephone:** _____

Contact Name: _____ **Title:** _____

Name of General Contractor: _____

Address: _____

E-mail: _____ **Telephone:** _____

Contact Name: _____ **Title:** _____

I. **Section 3 of the Housing and Urban Development (HUD) Act of 1968, as amended, 12 U.S.C. 1701u (Section 3), 24 CFR 135**

- A. HUD Section 3 promotes local economic development, neighborhood economic improvement, and individual self-sufficiency by ensuring employment and other economic opportunities generated by certain HUD financial assistance are directed to low-income persons and businesses which hire them.
- B. HUD Section 3 requirements apply to projects receiving in excess of \$200,000 in federal assistance for housing construction, re-construction, conversion, rehabilitation, de-construction, demolition, or public construction and apply to contractors and sub-contractors when any contract or subcontract exceeds \$100,000 for a project in excess of \$200,000.

II. **General Statement**

_____, as the
OWNER/DEVELOPER, and

_____, as the GENERAL
CONTRACTOR are committed to comply with the HUD Section 3 Act, the Section 3 regulations, and the City of Detroit HUD Section 3 requirements. It is our desire to work together to ensure compliance, to the greatest extent feasible, through the awarding of contracts for work and services to HUD Section 3 Business Concerns, and to provide employment and training to HUD Section 3 residents and eligible individuals. Our submission of this document shall be our agreement to follow and implement, to the greatest extent feasible, the Owner/ Developer/ Contractor's City of Detroit HUD Section 3 Compliance Plan.

III. **HUD Section 3 Compliance Goals**

Employment and Training:

To demonstrate compliance with HUD Section 3 regulations, it is desirous to employ HUD Section 3 residents or eligible individuals as 30% of the aggregate number of new hires and to provide training to those new hires. We agree to provide information regarding existing employees and projected hiring needs as a part of the Owner/Developer/Contractor's City of Detroit HUD Section 3 Compliance Plan.

Contracting:

To demonstrate compliance with HUD Section 3 regulations, the City of Detroit shall award at least 10% of the total dollar amount of all HUD Section 3 covered contracts for building trades work, and at least 3% of the total dollar amount of all other HUD Section 3 covered contracts (i.e., professional services) to HUD Section 3 Business Concerns for non-construction purposes. As the Owner/Developer/General Contractor, we agree to award sub-contracts at least 10% of the total dollar amount for building trades work to HUD Section 3 business concerns and at least 3% of the total dollar amount for non-construction work to HUD Section 3 business concerns.

IV. Section 3 Business Concerns¹

Section 3 Business Concerns receive a preference in HUD Section 3 covered HUD assisted contracting opportunities. The City of Detroit Section 3 Business Concerns Certification Process is under assessment and administrative review by the Planning and Development, City of Detroit, 65 Cadillac Square, Detroit, MI 48226.

V. HUD Section 3 Clause

The following contract provisions, 24 CFR 135.38 (A-G), are required to be included in all solicitations and HUD Section 3 Covered Contracts. These provisions must be included in all contracts executed by the City of Detroit as well subsequent contracts executed by Contractors, Sub-contractors and any party where HUD Section 3 covered funds are utilized:

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very-low income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediments that would prevent them from complying with the Part 135 regulations.

¹ If you would like to check your eligibility as a HUD Section 3 Business Concern, visit the City of Detroit, Finance-Purchasing Division web page. Determine your business concern's eligibility by completing the online Section 3 Business Concerns worksheet. Select HUD Section 3 Information to review the HUD Section 3 Business Concerns worksheet.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.

F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to this provision of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

VI. Withholding

A withholding of up to 10% of the contract may be assigned to ensure HUD Section 3 compliance. The exact percentage of the withholding is based on the contract value. The withholding will be affected as an advance withholding to ensure compliance or where a

Contractor fails to make a good faith effort to comply with their Section 3 obligations outlined in their City of Detroit HUD Section 3 Compliance Plan. Withheld portions will be released upon confirmation of Section 3 compliance. Failure to comply with HUD Section 3 requirements may result in termination of contract, penalty, and sanctions including withholding of payments, suspension from contracting with the City of Detroit for up to three years, probationary status, a withholding of up to 10% of contract contributed to City of Detroit HUD Section 3 Education, Training, and Implementation Fund, and/or debarment.

If awarded a HUD funded contract, I will a) insert the HUD Section 3 Clause language into all HUD Section 3 covered contracts and subcontracts; and to the greatest extent feasible b) submit and implement a City of Detroit Section HUD Section 3 Compliance plan which will form of our contractual obligations to the City of Detroit c) submit all required employment and contracting documentation; d) take affirmative actions to comply with all HUD Section 3 notification, information, attain and report monthly efforts toward achieving established HUD Section 3 hiring and contracting compliance goals and reporting obligations.

OWNER/DEVELOPER: _____
(Print/type name)

By: _____ Date: _____

(Signature and title)

GENERAL CONTRACTOR: _____
(Print/type name)

By: _____ Date: _____

(Signature and title)

Witness: _____ Date: _____

(Print Name/type name)

Notarized by: _____ Date: _____